102d Congress, 1st Session - - - - - - - - - - - House Document 102-94

EXTENSION OF WAIVER AUTHORITY

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

NOTIFICATION OF HIS DETERMINATION THAT A CONTINUATION OF A WAIVER CURRENTLY IN EFFECT FOR THE REPUBLIC OF BULGARIA, THE CZECH AND SLOVAK FEDERAL REPUBLIC, THE SOVIET UNION, AND THE MONGOLIAN PEOPLE'S REPUBLIC WILL SUBSTANTIALLY PROMOTE THE OBJECTIVES OF SECTION 402, OF THE TRADE ACT OF 1974, PURSUANT TO 19 U.S.C. 2432(c), (d).

JUNE 3, 1991.—Message and accompanying papers referred to the Committee on Ways and Means and ordered to be printed

---

U.S. GOVERNMENT PRINTING OFFICE

49-011 WASHINGTON : 1991

HT80-15

To the Congress of the United States:

I hereby transmit the documents referred to in subsection 402(d)(1) of the Trade Act of 1974, as amended (19 U.S.C. 2432(d)(1)) ("the Act"), with respect to a further extension of the authority to waive subsections (a) and (b) of section 402 of the Act. These documents continue in effect this waiver authority for a further 12-month period.

I include as part of these documents my determination that further extension of the waiver authority will substantially promote the objectives of section 402. I also include my determination that continuation of the waivers applicable to the Republic of Bulgaria, the Czech and Slovak Federal Republic, the Soviet Union, and the Mongolian People's Republic will substantially promote the objectives of section 402. The attached documents also include my reasons for recommending the extension of the waiver authority, and for my determination that continuation of the waivers currently in effect for the Republic of Bulgaria, the Czech and Slovak Federal Republic, the Soviet Union, and the Mongolian People's Republic will substantially promote the objectives of section 402. My determination with respect to the waiver applicable to the People's Republic of China and the reasons therefor is transmitted separately.

I note that the extension of the waiver applicable to the Soviet Union will apply to Estonia, Latvia, and Lithuania. This in no way affects the long-standing U.S. policy of not recognizing the forcible incorporation of Estonia, Latvia, and Lithuania into the Soviet Union or our support for the right of the Baltic States to reclaim their independence.

GEORGE BUSH.

THE WHITE HOUSE, *June 3, 1991.*

THE WHITE HOUSE

WASHINGTON

June 3, 1991

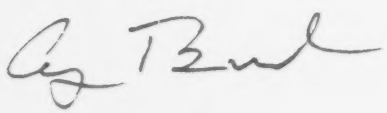
Presidential Determination
No. 91-39

MEMORANDUM FOR THE SECRETARY OF STATE

SUBJECT: Determination Under Subsection 402(d)(1) of the Trade Act of 1974, as Amended -- Continuation of Waiver Authority

Pursuant to the authority vested in me under the Trade Act of 1974, as amended, Public Law 93-618, 88 Stat. 1978 (hereinafter "the Act"), I determine, pursuant to subsection 402(d)(1) of the Act, 19 U.S.C. 2432(d)(1), that the further extension of the waiver authority granted by subsection 402(c) of the Act will substantially promote the objectives of section 402 of the Act. I further determine that the continuation of the waivers applicable to the Republic of Bulgaria, the Czech and Slovak Federal Republic, the Soviet Union, and the Mongolian People's Republic will substantially promote the objectives of section 402 of the Act.

You are authorized and directed to publish this determination in the Federal Register.



REPORT TO CONGRESS CONCERNING
EXTENSION OF WAIVER AUTHORITY

Pursuant to Subsection 402(d)(1) of the Trade Act of 1974, as amended (hereinafter "the Act"), I have today determined that further extension of the waiver authority granted by Subsection 402(c) of the Act will substantially promote the objectives of Section 402, and that continuation of the waivers currently applicable to the Republic of Bulgaria, the Czech and Slovak Federal Republic, the Soviet Union and the Mongolian People's Republic will also substantially promote the objectives of Section 402 of the Act. My determination is attached and is incorporated herein. I therefore recommend the extension of this waiver authority for an additional 12-month period.

The general waiver authority conferred by Section 402 of the Act is an important means for the strengthening of mutually beneficial relations between the United States and certain countries of East-Central Europe, the Soviet Union and Mongolia. Use of the waiver authority permits us to conclude and maintain in force bilateral commercial agreements. These agreements continue to be fundamental elements in our bilateral political and economic relations with these countries, including important exchanges on emigration and human rights matters. The reciprocal granting of MFN trade treatment and other elements of these agreements enhance the ability of U.S. companies to compete in those markets. Moreover, continuation of the waiver authority will permit future expansion of our bilateral relations with other countries now subject to Subsections 402 (a) and (b) of the Act, should circumstances permit. I believe that these considerations clearly warrant this renewal of the general waiver authority.

I believe that extending the current waivers applicable to Bulgaria, the Czech and Slovak Federal Republic, the Soviet Union and Mongolia will substantially promote the objectives of Section 402 of the Act.

Bulgaria. Following the passage in 1989 of new passport, travel and citizenship laws that lifted previous travel restrictions, the Bulgarian authorities in 1990 issued passports to tens of thousands of Bulgarian citizens. Many thousands left Bulgaria, both before and after the elections, to seek work or asylum in the West.

In August 1990 the Grand National Assembly (GNA) invited all emigres to return to Bulgaria without fear of persecution or punishment for certain previously illegal acts, such as political offenses. This invitation reinforced the citizenship law which guaranteed the right of return and an amnesty to citizens who had left during Zhivkov's rule. Stefan Cholakov,

a leading dissident who was expelled in 1988, returned and resettled in 1990. Leading Radio Free Europe reporter Rumiana Usunova, who had been vilified in the press and who had received death threats as recently as November 1989, was asked to return as editor-in-chief of the major opposition newspaper. Several emigres returned and ran for the GNA as Union of Democratic Forces (UDF) candidates.

Czechoslovakia. The Government does not impede domestic or foreign travel. Passports, which previously were often denied to those considered politically unreliable, are now freely available to all wishing to travel abroad. Czechoslovak citizens who emigrated during the period of Communist rule are now free to return to visit or live in Czechoslovakia.

Soviet Union. Emigration from the Soviet Union has increased steadily in every year since 1984. More than 370,000 Soviet citizens emigrated in 1990, almost double the figure from 1989.

While the Soviet government has still not gone as far as we would like, the continuing high rate of emigration is concrete evidence of a dramatic change in policy. Furthermore, the Government repeatedly has pledged to maintain high rates of emigration. On May 20, the USSR Supreme Soviet passed an entry/exit law that, for the first time, formally codified the right to emigrate.

Overall emigration figures for the first quarter of 1991 demonstrate the Government's intention to live up to its pledge. While the rate of emigration is not as high as the last quarter of 1990 - due in large part to a slow-down in movement to Israel as a result of the Gulf War - it is higher than the first quarter of 1990.

The Government of Israel reports that Soviet Jewish emigration is beginning to rise and may reach 250,000 or more this year. Emigration to the U.S., Germany and Greece, the other major recipient countries, continues at the same levels attained last year. This leads us to conclude, absent any extraordinary circumstances, that emigration should equal or surpass the levels of 1990.

Last year, I decided to waive for the Soviet Union the application of the freedom of emigration provisions of the Jackson-Vanik amendment (Section 402) to the Trade Act of 1974. I made this decision based on the liberalization of Soviet emigration policy in recent years and after receiving written assurances from the Soviet government that this policy would continue. The Soviets have continued to permit emigration at a high level and work toward resolution of emigration issues in a constructive spirit, again meeting the requirements of the amendment.

Indeed, if a waiver were not to be granted at this point, much of the utility of the amendment as a tool to encourage greater emigration would be lost. If almost 400,000 emigrants were seen as insufficient to justify a waiver, the Soviets could easily conclude that the amendment presents an impossible standard and consequently could decide there is no reason for further improvements.

By the same token, the incentive to demonstrate high levels of emigration every year to justify continuing waivers strongly encourages the Soviets to continue to live up to their pledges.

Mongolia. Since 1989 the government has greatly liberalized emigration regulations. As of January 15, 1991, Mongolian citizens no longer needed to obtain permission from the government to travel abroad, and all limitations on passport eligibility were lifted. The number of Mongolians traveling abroad increased from 13,000 in 1989 to 25,000 in 1990.

○